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STATE FOR WHA/CAN, EEB/TRA, AND S/CT

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TAGS: [ETRD](#) [EWWT](#) [AMGT](#) [PTER](#) [CA](#)
SUBJECT: NEW U.S. LAW ON MARITIME CARGO SCANNING
REQUIREMENTS: INITIAL CANADIAN REACTION

REF: STATE 119837

¶1. (U) Although Embassy Ottawa is so far unaware of any official Canadian reaction to the new U.S. law, media reports indicate that administrators of Canada's posts are meeting this week in Montreal to figure out how exactly the law will affect their operations. George Malec, vice president of operations and security at the Halifax (Nova Scotia) Port Authority was quoted in an article appearing in the August 28 Montreal Gazette as saying "we are checking this (law) very closely with our U.S. contacts. We think it needs a little more examination on the impact it will have on us."

¶2. (U) There may be some confusion in Canada about what the law will require. For instance, the Montreal Port Authority handles more than one million containers (20-foot equivalent) a year, about half of which are destined for the U.S., either by truck or rail. The Gazette article indicated that senior port officials wonder that if the new law does not apply to cargo sent by truck or rail, would Canadian customs agencies be required to screen containers arriving in Canada? It quotes Bob Hart, vice president and CFO of the Hamilton (Ontario) Port Authority and Don Krusel, president and CEO of the Prince Rupert (BC) Port Authority as believing that the law will not affect their operations.

¶3. (U) But Malec and Montreal Port Authority president and CEO Dominic Taddeo questioned what kind of scanning the U.S. has in mind. Last spring, new radiation detection equipment was installed at the Port of Montreal to allow the Canada Border Services Agency (CBSA) to check containers for potentially dangerous substances. These radiation detection systems are also in use at terminals in St. John, New Brunswick and their installation is underway in Vancouver and Halifax. Taddeo said that the use of the new radiation detection portals to screen virtually all containers arriving at Montreal has not caused delays. "All these people who are complaining and screaming will have to adjust," he said. "Our traffic keeps going up, so the figures speak for themselves."

¶4. (U) Mission Canada will continue to monitor Canadian reactions to the new U.S. maritime cargo scanning requirements and report developments to Washington agencies.

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